

**ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE**

March 2, 2022

1:32 p.m.

DRAFT

MEMBERS PRESENT

Senator Mia Costello, Chair
Senator Joshua Revak, Vice Chair
Senator Elvi Gray-Jackson

MEMBERS ABSENT

Senator Peter Micciche
Senator Gary Stevens

COMMITTEE CALENDAR

PRESENTATION(S): WORKFORCE DEVELOPMENT AND INFRASTRUCTURE
INVESTMENT

- HEARD

SENATE BILL NO. 132

"An Act exempting veterinarians from the requirements of the
controlled substance prescription database."

- MOVED SB 132 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 132

SHORT TITLE: CONTROLLED SUB. DATA: EXEMPT VETERINARIAN

SPONSOR(S): SENATOR(S) HOLLAND

04/28/21	(S)	READ THE FIRST TIME - REFERRALS
04/28/21	(S)	HSS, L&C
02/03/22	(S)	HSS AT 1:30 PM BUTROVICH 205
02/03/22	(S)	Heard & Held
02/03/22	(S)	MINUTE(HSS)
02/08/22	(S)	HSS AT 1:30 PM BUTROVICH 205
02/08/22	(S)	Moved SB 132 Out of Committee
02/08/22	(S)	MINUTE(HSS)
02/09/22	(S)	HSS RPT 4DP
02/09/22	(S)	DP: WILSON, REINBOLD, BEGICH, HUGHES

02/23/22 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
02/23/22 (S) Heard & Held
02/23/22 (S) MINUTE (L&C)

WITNESS REGISTER

NIKKI ROSE, Staff
Senator Roger Holland
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Thanked the committee for its consideration of SB 139.

DR. RACHEL BERNGARTT, Chair
Board of Veterinary Examiners
Juneau, Alaska

POSITION STATEMENT: Expressed appreciation for the time and thought the committee put into SB 132.

AARON PLIKAT, Business Manager, Financial Secretary, and Chair
Joint Apprenticeship Training Trust
United Association of Plumbers and Steamfitters Local 367
Anchorage, Alaska

POSITION STATEMENT: Co-delivered a presentation on workforce development for plumbers, pipefitters, and steamfitters.

EVERETT COLLINS, Building Trades Business Agent
United Association of Plumbers and Steamfitters Local 367
Anchorage, Alaska

POSITION STATEMENT: Co-delivered a presentation about workforce development for plumbers, pipefitters, and steamfitters.

JOSH BOLTON, Statewide Training Director
Alaska Carpenters Training Trust (ACTT)
Northwest Carpenters Union (NWCU)
Anchorage, Alaska

POSITION STATEMENT: Delivered a presentation about the Alaska Carpenters Training Trust (ACTT).

MIKE HOLCOMB, Administrator
Alaska Operating Engineers/Employers Training Trust
Palmer, Alaska

POSITION STATEMENT: Delivered a presentation about the Alaska Operating Engineers/Employers Training Trust.

RYAN ANDREW, Assistant Business Manager
International Brotherhood of Electrical Workers (IBEW)

Anchorage, Alaska

POSITION STATEMENT: Delivered a presentation on Alaska Workforce Development and the Infrastructure Investment and Jobs Act.

ACTION NARRATIVE

[1:32:07 PM](#)

CHAIR MIA COSTELLO called the Senate Labor and Commerce Standing Committee meeting to order at 1:32 p.m. Present at the call to order were Senators Gray-Jackson, Revak, and Chair Costello.

SB 132-CONTROLLED SUB. DATA: EXEMPT VETERINARIAN

[1:32:52 PM](#)

CHAIR COSTELLO announced the consideration of SENATE BILL NO. 132 "An Act exempting veterinarians from the requirements of the controlled substance prescription database."

She noted that this was the second hearing and public testimony was opened and closed during the first hearing. She asked Ms. Rose if she had any final comments before she looked to the will of the committee.

[1:33:49 PM](#)

NIKKI ROSE, Staff, Senator Roger Holland, Alaska State Legislature, Juneau, Alaska, thanked the committee for its consideration of SB 139.

CHAIR COSTELLO asked Dr. Berngartt if she had any additional comments on the bill.

[1:34:12 PM](#)

DR. RACHEL BERNGARTT, Chair, Board of Veterinary Examiners, Juneau, Alaska, expressed appreciation for the time and thought the committee put into SB 132.

SENATOR GRAY-JACKSON stated that she is proud to be a co-sponsor and she looks forward to the bill passing both bodies.

[1:34:45 PM](#)

SENATOR REVAK moved to report SB 132, work order 32-LS0861\A, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection and SB 132 moved from the Senate Labor and Commerce Standing Committee.

[1:35:08 PM](#)

At ease

**PRESENTATION(S): Workforce Development and Infrastructure
Investment**

[1:36:44 PM](#)

CHAIR COSTELLO reconvened the meeting and welcomed Aaron Plikat and Everett Collins to talk about working in the trades and their efforts to help train young Alaskans for jobs in these professions.

[1:37:35 PM](#)

AARON PLIKAT, Business Manager, Financial Secretary, and Chair of the Joint Apprenticeship Training Trust, United Association of Plumbers and Steamfitters Local 367, Anchorage, Alaska, co-delivered a presentation on workforce development for plumbers, pipefitters, and steamfitters. He paraphrased his written testimony.

UA Local 367 was established in 1938 to support military construction and a young growing city. There were originally 15 plumbers and gasfitters who sent a request to the United Association's general office for recognition of a Local chapter. Since that time, UA Local 367 has grown and invested in workforce development to create a membership of over 800 today. One of the ways this was done was by creating our local apprenticeship program in 1956 with contributions from members' wages of \$0.01 from all hours worked by our membership. Today this contribution rate has grown to \$1.55 per hour worked and has allowed us to train hundreds of qualified and licensed Plumbers, Steamfitters, Welders, and HVACR Technicians. These members have played a role in most of the major construction projects in our State, from the Trans Alaska Pipeline to all the major hospitals, power production facilities, refineries, large commercial buildings, and public schools.

CHAIR COSTELLO asked if he would describe the occupations that are represented in Local 367.

MR. PLIKAT explained that Local 367 represents plumbers, pipefitters, service technicians, and welders. He said most people understand the basics of a plumber's work, but these

professionals also install the lines for medical gases that are used in hospitals and other medical facilities. These include lines for oxygen masks, nitrogen lines that power surgeons' tools, and vacuum systems in dental offices. Plumbers also install the lines for domestic and potable water systems, heating systems, and automation controls for HVAC systems. On the industrial side, these professionals work on pipelines for the oil industry, power facilities, residential service, and construction.

[1:41:45 PM](#)

MR. PLIKAT explained that the United Association apprenticeship program has 385,000 members in all U.S. states and provinces in Canada, and is expanding internationally with partner agreements in Ireland and Australia. The program requires 5 years and 10,000 hours to complete the training and achieve a journey worker classification. The apprenticeship is lengthy due to the work that must be covered and to ensure that the public is safe around the systems that are installed. All apprentices are required to obtain 240 hours of classroom training a year in 40 hour blocks for six weeks. Apprentices who are working union jobs are laid off to attend this training, but are allowed to draw unemployment insurance during that time. Each year apprentices return to build on the skills they learned the previous year. The goal is that apprentices are gainfully employed and acquiring hands-on skills when they are not in the classroom. Beginning pay for apprentices is \$20.50 or 50 percent of a journey person's wage. The wage increases 10 percent every 2,000 hours until the apprentice achieves journey worker status. Full health and benefits are paid from day one. He noted that the program currently has just 57 apprentices, which is below the historical average of 75.

[1:44:40 PM](#)

MR. PLIKAT stated that workforce development has stalled the last several years. Since the large powerplants in South Central were finished, there have been small, private money construction projects, but those do not provide employment for large numbers of people. The result is that the retention of second to fourth year apprentices has been at an all-time low. The current apprenticeship opening has just 24 applicants, whereas in 2010 there were about 200 applicants.

MR. PLIKAT expressed optimism that the influx of American Infrastructure Act dollars would have a positive effect on workforce development in the state. He relayed that Local 367 stands ready to meet the challenges of recruitment and retention

of its apprentices. Outreach has included partnerships with agencies such as UAA, AVTECH, King Career Center, and Alaska Works Partnership to encourage apprenticeships. In 2010, the United Association created the Veterans in Piping (VIP) program to work with transitioning soldiers. These soldiers receive intensive training in welding and HVAC while on active duty, and upon completion are direct entered into apprenticeship programs around the country. As of 2018, the UA had 1,600 VIP graduates that have been placed in locals throughout the country. He noted that there was additional information about this online.

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MR. PLIKAT reported that the team at Local 367 began conversations last year about projects in the greater Yukon-Kuskokwim area such as the Bethel hospital project that took a workforce of some 30 plumbers and pipefitters about two years to complete. He said Local 367 advertised locally through the Department of Labor and Workforce Development (DOLWD) and with Alaska Works Partnership for an apprenticeship outreach. Just two people applied over the course of the entire project, but neither entered the program. This started conversations about what to do to increase interest in local projects such as the hotel project in the Bethel region that has the potential to put 25-30 plumbers to work for 18 months. He expressed hope, as Senator Murkowski had, that the forthcoming infrastructure dollars would go toward water and sewer infrastructure in rural Alaska to put an end of the "honey bucket." He acknowledged the need for more trained workers to accomplish this work, and mentioned the ongoing discussion about extending the apprenticeship training program and opening a training facility in Bethel. He said Local 367 looks forward to taking the brick and mortar training to see what can be done in this rural area. He noted that employers are looking forward to the opportunity for local hire in rural areas in part because it is a tremendous cost savings. He opined that this model could be extended to the Aleutian chain for geothermal power facility projects and to the 40 seafood processing facilities throughout the chain that currently bring in workers from outside the state to keep refrigeration facilities maintained and working.

1:53:03 PM

MR. PLIKAT acknowledged that expanding infrastructure and a skilled workforce into rural Alaska will take long time training programs and commitment from DOLWD to support doing things differently. He asked the legislature to help this effort by supporting the governor's \$10 million increment in the DOLWD

budget specifically to assist with STEP and other grant resources to expand needed training programs. He also asked the legislature to consider making the use of apprentices mandatory for all major construction projects funded through the infrastructure bill. He suggested a bar to hire apprentices in each craft to perform 10 percent of the hours of work on the project. It would be a message from the state that it recognizes the need and value of these apprentices.

1:55:41 PM

CHAIR COSTELLO committed to look at ways to further apprenticeship training in rural communities because it supports the notion of Alaska Hire. She mentioned finding young people who might be interested in training and asked him to talk about the partnership with King Tech High School and whether Local 367 has similar partnerships with other schools in Anchorage and elsewhere.

MR. PLIKAT replied King Tech has been a long time partner. Once a year counselors refer students with specific interest in the pipe trades or welding for apprenticeship training and the union reaches out routinely to check on the students' progress. To facilitate access to schools, the local has a fulltime recruiter, has partnered with the Alaska School Counselor Association to provide information at events, and continually looks for outreach opportunities. Alaska Works Partnership does a lot of outreach on behalf of the local; DOLPF's hands-on training event with the trades at the Palmer Fairgrounds each year has been very successful; and Local 367 holds a well-advertised monthly open house at the Anchorage training center. He also mentioned a transition program for veterans.

2:00:02 PM

CHAIR COSTELLO asked where the Local 367 joint apprenticeship facility is located.

MR. PLIKAT replied the address is 617 West Potter Road between Arctic and C Street. He related that the open houses started slowly but after a year the word is spreading and there is more interest from a variety of populations, including women.

CHAIR COSTELLO thanked Mr. Plikat and asked Mr. Collins to share his role.

2:01:33 PM

EVERETT COLLINS, Building Trades Business Agent, United Association of Plumbers and Steamfitters Local 367, Anchorage,

Alaska, Co-delivered a presentation about workforce development for plumbers, pipefitters, and steamfitters. explained that he primarily deals with manpower. He does the dispatching, works with apprentices to understand the benefits of the training center and what employment looks like with various employers. He also works to encourage contractors to hire new apprentices in suitable jobs.

CHAIR COSTELLO asked whether appropriately trained members of Local 367 could be solicited to work on jobs in other states.

MR. COLLINS said that is correct. He explained that the United Association has hundreds of locals throughout the country and much of his time is spent networking with other locals so members who are sort on work are able to work in another locale. He noted a current concern that members who have left the state for work may not return. He agreed with Mr. Plikat that there will be a lot of work in Alaska over the next five to ten years so it's important to work on the workforce now to try to keep it in Alaska.

2:03:18 PM

SENATOR REVAK asked about the current situation with the Military Construction Program (MILCON), whether the trend was up, down, or steady, and how that affects training.

MR. PLIKAT offered his perspective that there is more outreach and accessibility than in past years. He shared his excitement about VIP in 2010 and that he lobbied to see whether JBER could be a potential location because a massive number of soldiers were transitioning to Alaska. He said the program is not expanding at this time, but Local 367 has been offered services to run the VIP Program and train at the Anchorage facility. Efforts are ongoing to advance the idea to base leadership to allow soldiers to enter programs such as advanced welding or refrigeration training with the understanding that UA would commit to placing these soldiers upon completion of the program. He explained that the apprenticeship classes run about 32 weeks and the remainder of the time is spent on various other trainings. He said any help legislators could provide to gain access to the base to advance training would be appreciated.

SENATOR REVAK said he was receptive to those conversations. He added that he might benefit from the open houses to advance his welding skills.

He asked about the opportunities for work specific to military construction.

MR. PLIKAT offered his understanding that the northern regions of the state have enjoyed significant projects, but it has been slow at JBER. He noted the significant projects in Shemya to repower the base and realign the drainage system across the island and mentioned hanger projects for the F-22 jets as well as housing. Despite this activity he said there has definitely been a significant slowdown the last few years.

CHAIR COSTELLO mentioned the possibility of a field trip to one of the monthly open houses.

2:08:02 PM

SENATOR GRAY-JACKSON stated support for the governor's \$10 million addition to DOLWD and expressed appreciation for the suggestion to require hiring apprentices in each craft to perform 10 percent of the hours of work on a project.

She committed to follow up after the meeting.

CHAIR COSTELLO asked Mr. Collins what he looks for in a prospective apprentice and whether he interviews interested parties.

MR. COLLINS replied he does participate in the interviews and looks for people who have mechanical aptitude, an interest in building things, and a desire to participate. Classes that someone has taken and completed also indicate that the individual has initiative. He noted that graduates from AVTEC are always welcome; they have the education and have demonstrated initiative.

CHAIR COSTELLO asked if apprentices can be younger than 18 years of age.

MR. COLLINS replied age 18 is the threshold to be in the construction trades, but younger Alaskans are welcome to attend the open houses.

CHAIR COSTELLO found no further comments or questions and thanked Mr. Collins and Mr. Plikat for the presentation. She committed her office to stay in touch.

2:11:11 PM

At ease

[2:12:56 PM](#)

CHAIR COSTELLO reconvened the meeting and asked Josh Bolton to tell the committee about the training opportunities for future Alaskan workers.

[2:13:17 PM](#)

JOSH BOLTON, Statewide Training Director for the Alaska Carpenters Training Trust (ACTT), Northwest Carpenters Union (NWCU), Anchorage, Alaska, Delivered a presentation about the Alaska Carpenters Training Trust (ACTT). He stated that NCU trains apprentice and journey-level workers under all craft that the Northwest Carpenters Union represents in Alaska. He shared that he would talk about ACTT's training program, the workforce needs, and the efforts to meet these needs.

MR. BOLTON reported that the Northwest Carpenters Union represents over 1,200 members statewide and about 60 signatory contractors that employ members. He recounted that the members are carpenters who do foundations, metal and wood framing, drywall and other finishing, pile drivers who drive piles and do work on docks and piers, millwrights who do precision work on turbines; divers who do underwater bridge inspections and welding; scaffold erectors who are qualified to build and erect scaffold up to 125 feet without engineering; and welders because all these trades require welding skills.

[2:15:46 PM](#)

MR. BOLTON provided a brief description of the Northwest Carpenters Union training.

- Facilities are located in Anchorage and Fairbanks.
- Classroom space is rented in Juneau for journey-level upgrade training and the idea of apprenticeship training in Juneau is being explored because Southeast needs more qualified carpenters.
- Five full-time instructors are employed statewide.
- One full-time coordinator works at the Anchorage facility.
- One full-time statewide director. Mr. Bolton stated he holds this position and works from the Fairbanks facility, but travels to Anchorage and Juneau regularly to visit schools and work on journey-level upgrade training.
- The registered apprenticeship program is four years
- The program requires about 7,000 hours of training.
- Classroom instruction in the training centers makes up 960 hours of the training.

- Apprentices perform 6,000 hours of on-the-job training working for the union's signatory contractors throughout the state.
- The retention rate for the training program over the last five years is about 80 percent.

[2:17:52 PM](#)

MR. BOLTON displayed the chart on slide 4 that shows the makeup of ACTT apprentices. Currently, there are 167 apprentices statewide. This is a little higher than the norm and the hope is that this will increase this summer. He pointed out the diversity of the apprentices, [which includes Hispanic Black/African American, American Indian/Alaska Native, Asian/Pacific Islander, and Caucasian]. Basically, he said an Alaska driver's license and diploma or GED is required to apply and be considered for the program.

[2:18:49 PM](#)

CHAIR COSTELLO asked for the address of the Anchorage training facility.

MR. BOLTON replied it is in the industrial area, on King Street.

MR. BOLTON turned to the chart on slide 5 that shows the number of apprentices by craft, local union number, and location. He noted that the small number of divers, scaffold erectors, and millwrights reflects the small workload in these areas over the last few years. ACTT has responded by slowing the intake of apprentices.

- 84 carpenter apprentices are based out of local 1281 in Anchorage.
- 50 carpenter apprentices are based out of local 1243 in Fairbanks.
- 19 piledriver apprentices are based out of statewide local 2520 in Anchorage.
- 5 diver apprentices are based out of statewide local 2520 in Anchorage.
- 6 scaffold erector apprentices work statewide but are represented by local 1281 in Anchorage.
- 3 millwright apprentices work statewide but are represented by local 1281 in Anchorage.

[2:20:16 PM](#)

MR. BOLTON stated that there has been a general workforce shortage the last three years, largely due to the number of members who have retired over the last decade. The shortage is the result of a precedent in the 1980s and early 1990s to pass over young people and hire experienced workers. During the recession many members found work out-of-state, sometimes in other industries, and have not returned. COVID-19 also affected all the trades.

MR. BOLTON reviewed the projections for 2022.

- ACTT expects at least 70 new apprentices this year. Just eight apprentices are not working right now and this is typically the slow time of year.
- Approximately 200 more journey-level workers will be needed this season and that will be difficult to achieve without a larger workforce. Representatives are currently talking with non-signatory contractors about getting people into journey-level and enhancement training so they can go to job sites as journey-level workers.
- 40 percent more bridge work is anticipated in the Fairbanks area alone. Interviews for a class of about 10 pile drivers will start on March 14.

He explained that each year ACTT has two first-year selection processes and two first-year apprentice training classes. Work is underway to expand the training facilities in Anchorage and expand class sizes.

[2:24:00 PM](#)

MR. BOLTON recounted the ways ACTT recruits.

- High school job fairs
- Private job fairs
- Alaska Works Partnership
 - AWP has a 40 hour carpentry program that feeds into the apprentice program
 - ACTT provides all the welding training at AWP.
 - ACTT uses its facility to teach a pile driver class for Alaska Works Partnership for the Women in the Trades program
- AVTEC and King Tech both have high level welding and carpentry programs.
- Exiting military members are an excellent source of skilled and trained workers.

MR. BOLTON discussed partnerships. ACTT has agreements with the Fairbanks North Star Borough School District and Juneau School District for a direct entry path into the Fairbanks program. ACTT will partner with any school district that is interested. He noted that he sits on the curriculum committees for the Yukon-Koyukuk School District and Hutchinson High School in Fairbanks to promote training for the trades. He described Alaska Works Partnership as extremely valuable for all the trades. On behalf of ACTT, he stated support for HB 108 and HB 132, both of which would provide a path for a career in the trades.

[2:27:11 PM](#)

CHAIR COSTELLO noted that he did not mention an agreement with the Anchorage School District.

MR. BOLTON replied there is no formal agreement.

MR. BOLTON highlighted the things that would help apprenticeship programs for all the trades going forward.

- Increased funding for school career and technical education programs and classes
- Incentives for partnerships between high schools and non-profit training programs
- Increased education on alternative career pathways
- Increased STEP grant funding
- Increased funding for workforce development, including for instructors

[2:31:14 PM](#)

SENATOR REVAK noted that he took advantage of home construction courses through all four years of high school and it benefited his personal development. He opined that the committee needs to hear about these kinds of opportunity and he looks forward to finding ways to bridge the gap.

[2:32:37 PM](#)

SENATOR GRAY-JACKSON asked for an explanation of the STEP Grant.

MR. BOLTON said STEP stands for State Training and Employment Program. Organizations, industry trainers and others qualify for the funding by offering credentialed, industry-recognized classes. He noted that many but not all ACTT classes qualify for the STEP grant funding.

SENATOR GRAY-JACKSON amount of the line item for that grant program.

MR. BOLTON replied the maximum one organization is able to receive is \$400,000. For FY 1022, ACTT received a little over \$377,000.

CHAIR COSTELLO requested an explanation of the Alaska Works Partnership with ACTT.

MR. BOLTON explained that Alaska Works Partnership (AWP) is a nonprofit and ACTT is a dues paying member. He offered his understanding that AWP is primarily grant-funded and its introductory level training is open to the general public. The trade classes are taught by a union or trade representatives. Carpentry courses are all taught by union carpenters and the pile driver and welding programs are held at the ACTT training center.

CHAIR COSTELLO thanked him for the presentation.

[2:35:32 PM](#)

At ease

[2:36:15 PM](#) slow

CHAIR COSTELLO reconvened the meeting and introduced Michael Holcomb and Cory Baxter who talk about the Alaska Operating Engineers/Employers Training Trust.

[2:36:40 PM](#)

MIKE HOLCOMB, Administrator, Alaska Operating Engineers/Employers Training Trust, Palmer, Alaska, delivered a presentation about the Alaska Operating Engineers/Employers Training Trust. He explained that the Alaska Operating Engineers/Employers Training Trust (AOEETT) is a 501(c)(3) non-profit. AOEETT runs a federally registered apprenticeship program that has about 140 operator, mechanic, and service oiler apprentices. These apprentices are employed by union contractors from large civil construction companies in the state to work on construction roadwork, heavy duty mechanics, and steel building assembly. AOEETT provides apprentice and journey-level training for 1,500 to 1,800 IUOE Local 302 members annually. As with most unions, member contributions along with STEP and other grants fund the program. The classes include safety, skills upgrade, and certifications required to work in in Alaska.

[2:38:27 PM](#)

MR. HOLCOMB displayed images of the training facilities in Palmer and Fairbanks. The Palmer facility is located on 163 acres; has a 200' X 80' indoor arena where heavy equipment classes are held from October to May when the ground outside is frozen; a 10,000 square foot shop that is being doubled in size; and a 12,000 square foot building that houses offices and classrooms. When the remodel is finished, the Palmer facility will have 17 classrooms. The Fairbanks facility is a 4,800 square foot shop located at the Fairbanks Pipeline Training Center. The training here is the same as in Palmer, but on a smaller scale.

MR. HOLCOMB directed attention to the images inside the Palmer indoor arena that give a sense of the excavation and line and grade classes. The image on the lower right of slide 4 simulates the work that would be done to bury utilities. The image of the lower left simulates a mass excavation. The image on slide 5 illustrates the process to accomplish paving in Southcentral Alaska in December and slide 6 shows the progress of the 10,000 square foot expansion of the maintenance facility in Palmer. This will add six classrooms, three of which are labs. A computer lab is also an important addition.

2:42:19 PM

MR. HOLCOMB highlighted the onsite equipment, which includes more than 60 units of earthmoving, paving, and lifting equipment that is used on a construction site; seven on-highway CDL trucks and trailers; and eight equipment simulators, which are very helpful for controls familiarization. Simulators have improved the performance of first year apprentices. He noted that contractors have demanded that all first year apprentices qualify for a class A CDL.

MR. HOLCOMB restated that the apprenticeship program is federally sponsored through the U.S. Department of Labor. The current occupations are: 1) Heavy Equipment Operator, which requires 6,000 hours of on-the-job-training (OJT) training with the contractors; 2) Heavy Duty Mechanic requires 8,000 OJT hours of training; and 3) Lubrication Service Technician requires 5,000 OJT hours. The total required classroom hours for mechanics and operators is 12 weeks before dispatch. Thereafter, a minimum of 80 hours of upgrade training per years. He noted that there were 150 active apprentices as of this month, 60 entered the program this year, and the training trustees just approved a second intake of apprentices for the year. The demand is expected to outstrip the supply this year.

2:46:42 PM

SENATOR REVAK asked how AOEETT gages how much to increase the intake of apprentices.

MR. HOLCOMB replied a lot is based on the projects that have been bid and awarded and the apprenticeship hours that those jobs will bring. He described it as something of a crystal ball best guess; factors that must be considered include graduation rates, dropout rates, and the anticipated workload. He noted that he would discuss supply and demand later in the presentation.

MR. HOLCOMB highlighted that the starting wage for apprentices is 60 percent of full scale or about \$24.00 per hour plus a fringe. Every 1,000 hours, depending on the level of training and the occupation, the worker receives a raise. Operators, for example, start at 60 percent then bump to 70 percent, then 80 percent, then in 5 percent increments to full scale.

CHAIR COSTELLO noted the tight timeline for the committee.

2:49:30 PM

MR. HOLCOMB turned to slide 9 that showed apprentice statistics and acknowledged that some areas needed more outreach. For example, six veterans just graduated, but that left just three veterans in the program. He described 21 percent participation by Alaska Natives as respectable then noted that the 23 females in the program represented just 17 percent of the total enrollment.

He briefly mentioned AOEETT's outreach partnerships with schools listed on slide 10. These included the following schools: Alaska Vocational Technical Center (AVTEC), King Tech High School (KCC), University of Alaska Southeast (UAS), Hutchison High School, Anchorage School District (ASD), Fairbanks North Star School District (FNSD), and Mat-Su Career & Tech High School (Career Tech). He noted that AOEETT works with Career Tech on the Skills USA national competition to host the hydraulics competition. The winner has the option for direct entry into the apprenticeship program.

MR. HOLCOMB briefly mentioned the outreach partnerships listed on slide 11.

- Alaska Works Partnership

- Partners for Progress in Delta that offers three-week programs mostly with Technical Vocational Education Program (TVEP) funds
- Classes for Knik Tribal
- Classes at the Department of Corrections (DOC) Highland Mountain Correctional Center
- Fairbanks North Star School District
- Blade classes for the Department of Transportation and Public Facilities (DOTPF) through the Fairbanks Pipeline Training Center

[2:51:32 PM](#)

MR. HOLCOMB listed the craft partnerships at both the Fairbanks Pipeline Training Center and the Palmer Training Center.

Fairbanks Pipeline Training Center

- Plumbers & Steamfitters Local 375
- Teamsters Local 959
- Laborers Local 341

Palmer Training Center

- Iron Workers Local 751 to do erection simulation classes
- Masons & Plasterers local 528

MR. HOLCOMB mentioned the classes that are offered at the training facilities: 13 safety; 4 commercial driver's license (CDL); 8 crane; 6 Grade/GPS; 14 Heavy Equipment; 10 Heavy Duty Mechanic; 4 Electrical; 6 Welding; and 4 Pipeline.

[2:52:20 PM](#)

MR. HOLCOMB returned to the topic of supply and demand and described the projected projects bulleted on slide 14.

- \$3.5 Billion for rural sanitation (nationally)
- \$3.4 Billion over 5 years for highway improvements (nationally)
- \$367+ Million Increased Port of Alaska modernization improvements
- \$225 Million in bridge repair
- More than \$700 million currently awarded and upcoming for highway improvements in 2021 and 2022

MR. HOLCOMB said AOETT is already getting calls about the availability of apprentices for the upcoming season. He opined that to meet the forecast demand, the push to increase the

numbers of apprentices probably should have started two years ago.

2:53:25 PM

MR. HOLCOMB reviewed AOEETT's annual costs.

- Budget = \$3.5 to \$4 million
- Labor = +/- \$2 million
- Fuel/Maintenance = \$300 thousand
- Expenses = \$1 - \$1.5 million
- Expansion = \$2.3 million
- New Equipment = \$175 thousand

MR. HOLCOMB offered potential solutions to AOEETT's tight budget: increase STEP funding, increase the apprentice utilization ration from 1:20, and a state requirement to utilize a certain number of apprentice hours.

He concluded the presentation with an image of the new apprenticeship pamphlet. He related that apprentices will be accepted starting in April and will be done biannually thereafter. He expressed hope for robust interest and participation. He noted that his contact information was on the final slide.

2:55:37 PM

CHAIR COSTELLO thanked him for the presentation and noted that she had toured the Palmer Training Center. She described the indoor arena as innovative.

SENATOR REVAK thanked Mr. Holcomb for the informative presentation and relayed that Senator Bishop was very proud of the work he was doing.

2:56:57 PM

At ease

25749

2:57:53 PM

CHAIR COSTELLO reconvened the meeting and recognized the next presenter would be Ryan Andrew, the assistant business manager for IBEW Local 1547.

2:58:24 PM

CHAIR COSTELLO turned the gavel over to Vice Chair Revak.

2:58:48 PM

VICE CHAIR REVAK welcomed Mr. Andrew.

2:59:04 PM

RYAN ANDREW, Assistant Business Manager, International Brotherhood of Electrical Workers (IBEW), Anchorage, Alaska, Delivered a presentation on Alaska Workforce Development and the Infrastructure Investment and Jobs Act. thanked the committee for inviting him to talk about workforce development and the Infrastructure Investment and Jobs Act (IIJA). He stated that the IBEW represents more than 4,000 workers in Alaska in a broad range of jobs, but today he would focus on apprenticeships in the electrical/construction industry.

MR. ANDREW began the presentation by describing the joint apprenticeship model and how it is used in the construction industry. These programs and administered jointly by labor, which is the union representing the workforce, and management, which are the employers in the industry. These programs are funded by employer contributions, which are based on the hours worked on the project. The apprenticeship model has been extensively used in the construction industry. It produces excellent results as labor and management cooperate to ensure the proper training for all apprentices. The programs are registered with the U.S. Department of Labor for added assurance that the proper administration of training occurs.

MR. ANDREW turned to slide 3 to discuss the electrical industry in Alaska and the joint apprenticeship between the International Brotherhood of Electrical Workers (IBEW) Local 1545 and the Alaska Chapter of the National Electrical Contractors Association (NECA). He explained that this is a statewide training program that consists of a combination of on-the-job experience and related classroom instruction for the industry. The three most common disciplines in the electrical industry are 1) journey-level electrician, which are the workers doing the electrical work inside buildings; 2) journey-level power lineman, which are the individuals who work outside on overhead powerlines; and journey-level telecommunications workers who are responsible for installing infrastructure and cabling for telephone uses.

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MR. ANDREW explained that each of the three disciplines require 8,000 hours of on-the-job experience and about 1,000 hours of classroom instruction. After about four or five years in the program, the apprentice will achieve journey-level status.

Apprentices are put in an applicant pool then placed on an eligibility list after they interview and selected based on industry demand. He noted that an advantage of the apprenticeship model is that it is scalable to accommodate increased demand for workers. However, the size of the program is limited by the number of positions available to employ apprentices. He noted that the number of first-year apprentice positions is particularly limited. It is an additional challenge when employers are not willing to hire and invest in training apprentices. He agreed with Mr. Plikat about the benefit of requiring employers to hire a certain percentage of apprentices. It is crucial for the development of the future workforce.

MR. ANDREW highlighted the challenge of accessing funding to meet increased demand for training. He explained that the availability of funding is directly proportional to the number of work hours, and there is a slight lag. Contributions to the program are based on the hours of work currently being performed, so funding is not immediately available to start additional training. Another challenge for this apprenticeship program is the increased cost of obtaining commercial driver license (CDL) training, in part because of the new federal requirements.

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MR. ANDREW stated that a potential solution to alleviate the bottleneck associated with having too few first-year apprentice positions would be to adjust the requirements to utilize apprentices. The requirement could be project specific or broader to cover multiple projects. He noted that the typical measure is as a percentage of the overall workforce, but it could be a percentage of the work hours for a particular craft. He said the earlier suggestions to bring enough apprentices to a project were excellent.

MR. ANDREW offered potential funding solutions.

- Increase the funding for State Training and Employment Program (STEP) grants that are administered through the Department of Transportation and Public Facilities (DOTPF).
- The IBEW program uses STEP funds to help with training costs related to the CDL requirements, and to support apprentices who travel from rural Alaska to the Anchorage and Fairbanks training sites for classroom training.

MR. ANDREW stated that a potential solution to develop the additional workforce would be to increase funding for pre-

apprenticeship programs. He highlighted the excellent pre-apprenticeship training that Alaska Works Partnership offers. Pre-apprenticeship programs are an opportunity to "try out" the trade. They are an essential component of recruiting and preparing candidates for apprenticeships.

MR. ANDREW concluded the presentation by highlighting IBEW Local 1547's partnership with King Tech High School in Anchorage. High school graduates who have taken the electricity course are granted direct entry into the apprenticeship program. He encouraged anyone who receives an invitation to the graduation signing ceremony to attend. For these graduates it is opening a door to a great career right out of high school. He also highlighted the pre-apprenticeship Veterans' Electrical Entry Program (VEEP). Veterans who are in the final six months of service are able to complete the nationally certified classroom training for a first year apprenticeship. After the veterans separate, they can be placed in apprenticeships throughout the country.

3:11:46 PM

SENATOR GRAY-JACKSON thanked all the presenters for the educational presentations.

VICE CHAIR REVAK echoed her comments and expressed his personal appreciation for the efforts to employ veterans.

3:13:01 PM

There being no further business to come before the committee, Vice Chair Revak adjourned the Senate Labor and Commerce Standing Committee meeting at 3:13 p.m.